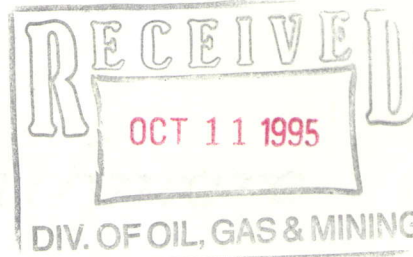


m/035/011

Kennecott Utah Copper Corporation  
8315 West 3595 South  
P.O. Box 6001  
Magna, Utah 84044-6001  
(801) 252-3000



**Kennecott**

October 4, 1995

Mr. D. Wayne Hedberg  
Permit Supervisor, Mineral Regulatory Program  
State of Utah, Department of Natural Resources  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203

Re: Secondary Tailings Pipeline Project

Dear Mr. Hedberg:

Kennecott Utah Copper (KUC) recently began earth work in the approved pipeline corridor that is permitted for disturbance under DOGM permit number M/035/011. The earth work is being performed in preparation for the construction of a second tailings pipeline. The new line will be located approximately 50 feet west of the existing tailings line and will parallel the existing line from the Copperton Concentrator to the tailings impoundment. KUC anticipates engineering design work to be completed in the next few months with construction of the new line to begin in early 1996 and completion of the project by October of 1996.

The existing tailings pipeline is a critical part of current KUC operations and will continue to operate as part of KUC's water management program after the cessation of mining activities. In addition to the existing tailings line, KUC intends to utilize the second tailings line in the post mining water management system. The intention of the second line is to provide an alternate line designed to handle a variety of operating parameter conditions to reduce the effects of abrasion on the line. The second line will also provide contained operation while maintenance is being performed on the other line.

KUC understands that a modification (i.e., amendment/revision) to permit M/035/011 is not necessary because the new pipeline will be constructed in a utility corridor that is currently permitted for disturbance. It is recognized that this project in no way changes KUC's reclamation commitments under the current DOGM permit. KUC believes that the new tailings line will not require the existing bond to be altered as the line will be left in place for post mining land use.

Mr. D. Wayne Hedberg  
October 4, 1995  
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If you have any questions regarding this project, please contact  
Jon Cherry at 569-6208.

Sincerely,



Elaine J. Dorward-King, Ph.D.  
Director, Environmental Affairs

JCC/jcc